HEALTH CARE FINANCING ADMINISTRATION
SPECIAL TERMS AND CONDITIONS

NUMBER: 11-W-00128/1

TITLE: Maine Medicaid Section 1115 Health Care Reform Demonstration for Individuals with HIV/AIDS

AWARDEE: Maine Department of Human Services

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I. PREFACE

The following are Special Terms and Conditions for the award of the Maine Medicaid Section 1115 Health Care Reform Demonstration (HIV/AIDS Demonstration Project) waiver request submitted on November 9, 1998. The Special Terms and Conditions have been arranged into three broad subject areas: General Conditions for Approval, Legislation, and Program Design/Operational Plan.

In addition, specific requirements are attached entitled: General Financial Requirements (Attachment A); General Program Requirements (Attachment B); General Reporting Requirements (Attachment C); Monitoring Budget Neutrality (Attachment D); Access Standards (Attachment E); and Operational Protocol (Attachment F).

The State agrees that it will comply with all applicable Federal statutes relating to non-discrimination. These include, but are not limited to, the Americans with Disabilities Act, Title VI of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973, and the Age Discrimination Act of 1975. As part of the review of the operational protocol that the State is required to submit, the Health Care Financing Administration (HCFA) will examine the State's proposed operational procedures to ensure their consistency with the requirements set forth in the above Federal statutes.

Letters, documents, reports, or other material that is submitted for review or approval will be sent to the HCFA Central Office Maine HIV/AIDS Demonstration Project Officer and the Maine State Representative in the HCFA Boston Regional Office.

II. GENERAL CONDITIONS

A. All Special Terms and Conditions prefaced with an asterisk (*) contain requirements that must be approved by the Health Care Financing Administration (HCFA) prior to program implementation. No Federal Financial Participation (FFP) will be provided for section 1115 program implementation until HCFA has approved these requirements. FFP will be available for project development and implementation, compliance with Special Terms and Conditions, the readiness review, etc. Unless otherwise specified, where the State is required to obtain HCFA approval of a submission, HCFA will make every effort to respond to the submission in writing within 45 days of receipt of the submission. HCFA and the State will make every effort to ensure that each submission is approved within 60 days from the date of HCFA's receipt of the original submission.

B. *The State will prepare one protocol document that represents and provides a single source for the policy and operating procedures applicable to this demonstration which have been agreed to by the State and HCFA during the course of the demonstration negotiation and approval process. The protocol must be submitted to HCFA no later than 90 days prior to program implementation. HCFA will respond within 30 days of receipt of the protocol regarding any issues or areas it believes require clarification. During the demonstration, subsequent changes to the protocol that are the result of major changes in policy or operating procedures should be submitted no later than 90 days prior to the date of implementation of the change(s) for approval by HCFA. The Special Terms and Conditions and Attachments include requirements that should be included in the protocol. Attachment F is an outline of areas that should be included in the protocol.

C. The State will submit a phase-out plan of the demonstration to HCFA 6 months prior to initiating normal phase-out activities and, if desired by the State, an extension plan on a timely basis to prevent disenrollment of enrollees if the demonstration is extended by HCFA. Nothing herein will be construed as preventing the State from submitting a phase-out plan with an implementation deadline shorter than 6 months when such action is necessitated by emergent circumstances. The phase-out plan is subject to HCFA review and approval.

D. *Prior to implementation of the HIV/AIDS demonstration, HCFA requires documentation of the final demonstration cost discount agreement of at least 14 percent between the State Agency and pharmaceutical companies. Maine will include the cost discount agreement in accordance with number 14 of Attachment F.

E. The State will comply with:

1. General Financial Requirements (Attachment A)
2. General Program Requirements (Attachment B)
3. General Reporting Requirements (Attachment C)
4. Monitoring Budget Neutrality (Attachment D)
5. Access Standards (Attachment E)
6. Operational Protocol (Attachment F)

III. LEGISLATION

A. All requirements of the Medicaid program expressed in laws, regulations, and policy statements, not expressly waived or identified as not applicable in the award letter of which these Special Terms and Conditions are part, will apply to the Maine Demonstration. To the extent the enforcement of such laws, regulations, and policy statements would have affected State spending in the absence of the demonstration in ways not explicitly anticipated in this agreement, HCFA will incorporate such effects into a modified budget limit for the Maine Demonstration. The modified budget limit would be effective upon enforcement of the law, regulation, or policy statement. HCFA will have two years after the demonstration award date to notify the State that it intends to take action. The growth rates for the budget neutrality baseline, as described in Attachment D, are not subject to this Special Term and Condition. If the law, regulation, or policy statement cannot be linked specifically with program components that are or are not affected by the Maine Demonstration (e.g., all disallowances involving provider taxes or donations), the effect of enforcement on the State's budget limit will be proportional to the size of the Maine Demonstration in comparison to the State's entire Medicaid program (as measured in aggregate medical assistance payments).

B. The State will, within the time frame specified in law, come into compliance with any changes in Federal law affecting the Medicaid program that occur after the demonstration award date. To the extent that a change in Federal law, which does not exempt State section 1115 demonstrations, would affect State Medicaid spending in the absence of the demonstration, HCFA will incorporate such changes into a modified budget limit for the Maine Demonstration. The modified budget limit will be effective upon implementation of the change in Federal law, as specified in law. If the new law cannot be linked specifically with program components that are or are not affected by the Maine Demonstration (e.g., laws affecting sources of Medicaid funding), the State will submit its methodology to HCFA for complying with the change in law. If the methodology is consistent with Federal law and in accordance with Federal projections of the budgetary effects of the new law in Maine, HCFA would approve the methodology. Should HCFA and the State, working in good faith to ensure State flexibility, fail to develop within 90 days a methodology to revise the without waiver baseline that is consistent with Federal law and in accordance with Federal budgetary projections, a reduction in Federal payments will be made according to the method applied in non-demonstration States.

C. The State may submit to HCFA a request for an amendment to the Maine Demonstration program to request exemption from changes in law occurring after the waiver award date. The cost to the Federal government of such an amendment must be offset to ensure that total projected expenditures under a modified Maine Demonstration program do not exceed projected expenditures in the absence of the Maine Demonstration (assuming full compliance with the change in law).

IV. PROGRAM DESIGN/ OPERATIONAL PLAN

A. Outreach, Intake, and Enrollment

1. *Outreach

The State will submit to HCFA a copy of its outreach strategy, which will include: details about specific informational items (e.g. program eligibility criteria, enrollment limitations, cost sharing provisions, benefits package) that will be communicated to participating providers and potential demonstration clients; media which will be utilized; specific geographical areas of interest in the State; and, locations where such information will be disseminated. The strategy should also address outreach to minority populations, including racial and language minorities. Using State guidelines for readability and accuracy, the State will approve outreach material used to enroll HIV/AIDS demonstration clients before such materials are disseminated. HCFA shall review copies of State outreach materials and require modifications, if necessary, prior to dissemination. Refer to number 4 of Attachment F.

2. *Eligibility/Intake

The eligibility/intake process will be described in number 5 of Attachment F. At the time of eligibility/intake, the State will ensure that the applicant is informed about the demonstration's limited enrollment and the waiting list mechanism (if applicable). All potential enrollee will be provided specific information about: the eligibility criteria for demonstration (e.g. income level, the State's methodology to verify HIV positive status); enrollee cost sharing; numbers of applicants on the waiting list; and benefits. An applicant who was on non-demonstration Medicaid but lost eligibility for non-demonstration Medicaid and wishes to enroll in the demonstration (In accordance with A.3), will be clearly informed about the waiting list mechanism if applicable, the limited benefit package as compared to Medicaid, and all cost sharing requirements. Also refer to number 11 of Attachment F.

3. Screening for Medicaid Eligibility

The State shall ensure that individuals applying for the demonstration are screened to determine if they are eligible for non-demonstration Medicaid, and if found eligible, then enrolled in non-demonstration Medicaid. An individual receiving coverage under non-demonstration Medicaid may participate in the demonstration only if the individual's circumstances change such that, upon redetermination, the individual is found to be ineligible for non-demonstration Medicaid and eligible for the demonstration. In addition, demonstration participants who become eligible for non-demonstration Medicaid will be disenrolled from the demonstration and will be enrolled in the non-demonstration Medicaid program. The description of the application and determination process shall be included in the Protocol document, in accordance with number 5 of Attachment F.

4. *Enrollment

The enrollment process will be described in number 5 of Attachment F. The State will discuss the process of enrollment, and will include, in detail, the process through which an enrollee will be connected to a primary care provider. The State will also provide to HCFA examples of actual enrollment materials. A list of providers who are appropriate to the enrollee's location will be available at each enrollment site. Information will also be provided regarding hospitals and specialists in the enrollee's area.

5. *Informed Consent

As part of the enrollment process, the State will obtain signed informed consent from enrollees who wish to participate in this demonstration project. Such informed consent will assure that enrollees are aware that: 1) their participation in the demonstration is voluntary; 2) the benefit package available to them is not the full Medicaid benefit package (including a specific description of what services are not included);
3) demonstration enrollees who become eligible for the traditional Title XIX will be disenrolled from the demonstration and will be enrolled in the Maine Medicaid program in such a way that does not disrupt continuity of care; 4) there are certain cost-sharing requirements in the demonstration, and these amounts could change over the life of the demonstration; 5) there is an enrollment ceiling and may be a waiting list if demonstration enrollment reaches this ceiling (including detailed explanation of how individuals are moved into the demonstration from this list). Forms used for this purpose must be reviewed and approved by the HCFA project officer.

6. Confidentiality

The State will maintain the same standards of confidentiality for patient information as it maintains in the regular Medicaid program. This includes appropriate confidentiality safeguards during the exchange or transfer of patient specific information.

B. Enrollment Ceiling

1. *Enrollment Ceiling Initiation and Adjustment

The State will be able to limit the number of individuals who enroll in the demonstration program. HCFA will work with the State to set an initial enrollment ceiling number, then allow the State flexibility to adjust the number upward or downward at a later date, as needed. Under this option, the State may freeze new enrollment, but **may not** disenroll those currently in the demonstration program. New enrollment is defined as those demonstration applicants who are not yet eligible for Medicaid, those who are no longer eligible for Medicaid, and those who disenroll from Medicaid to move to the demonstration program (In accordance with A.3.). If the State freezes enrollment in the demonstration, those applicants eligible for the traditional Medicaid program must continue to be enrolled in the traditional Medicaid program.

Initially, the State will monitor enrollment and expenditures. If the State believes it is likely to exceed the budget limit, either in aggregate or on a prorated basis, then the State will propose a revised enrollment number to HCFA for an expedited review. The State and HCFA will collaborate on a process for monitoring and reviewing the requested enrollment ceiling. In accordance with number 6 of Attachment F, the State will include its method for deciding the numerical limit and operation of the enrollment ceiling.

2. Demonstration Enrollee Limit

Under no circumstances may the State limit enrollment in the traditional (non-demonstration) Medicaid program for HIV-positive individuals who are eligible to enroll. The enrollment ceiling may apply to the demonstration only.

3. *Waiting List Mechanism

If demonstration enrollment reaches the enrollment ceiling, the State has indicated that it will consider the enactment of a waiting list. In number 7 in Attachment F, Maine should describe the waiting list mechanism, if applicable, including how individuals are selected from the waiting list to enter into the program, how the list is maintained, how the potential enrollees will be informed of their placement and standing on the list, how often they will be informed of their standing, and how the intake workers will be able to access and verify an individual's standing on the waiting list at the time of potential enrollee application.

C. Benefit Package

1. *Services

In accordance with number 2 in Attachment F, the State will include a detailed listing of service categories and individual services that will be available to demonstration enrollees. The State must include mental health and substance abuse services in its benefit package for the demonstration. All covered services will be available to demonstration enrollees regardless of whether they are related to the treatment of HIV disease. The State is responsible for ensuring that demonstration providers are aware of the service options and requirements.

2. Coordination of Services

The State is responsible for overseeing the process of provider/agency development of linkage agreements and coordination of care for their enrollees with such entities as behavioral health providers, public health agencies, Ryan White CARE Act-funded agencies and providers, Indian Health Service providers, school-based health clinics, family planning clinics, substance abuse treatment facilities, community health, and mental health centers, sexually transmitted disease clinics, and other relevant providers.

D. Provider Network and Access

1. *Provider Numbers

In accordance with number 12 in Attachment F, the State will provide details (numbers, locations, types of provider, specialty areas) of the provider network for the Maine HIV/AIDS demonstration program, consistent with the State's May 14, 1999, responses to HCFA questions. Include a breakdown of provider/enrollee ratios by county/geographic region. The State must ensure that the provider network will be large enough to ensure adequate access to all needed services consistent with the scope of benefits offered.

2. Americans with Disabilities Act

The State must monitor providers to ensure that they are conforming to the standards outlined in the Americans with Disabilities Act for purposes of communicating with, and providing accessible services for the hearing and vision impaired, and physically disabled enrollees.

3. Cultural Competency

The State must make the same linguistic and culturally competent services available to potential enrollees or enrollees in the HIV/AIDS demonstration as it does in the traditional Medicaid program.

4. Continued Access

The State will ensure that the access standards for demonstration enrollees will remain in place, in the event of changes in the delivery system network. For example, if the State opts to enroll its Medicaid population into managed care.

E. Quality Assurance

1. *Monitoring Plan

In accordance with number 8 in Attachment F, the State will provide its overall quality assurance monitoring plan. The State will include in the protocol its plan for using specific quality indicators relevant to this demonstration project.

2. *Enrollee Survey

Within 15 months of implementation, the State will conduct an enrollee survey. The survey will be generally described in accordance with number 8 in Attachment F and provided to HCFA for review a minimum of 60 days prior to use. At a minimum, the survey will include such measures as enrollee satisfaction with program administration and care provided and include measures of use of emergency rooms, waiting times for appointments (primary care and specialists); and access to special providers/services. Results of the survey must be provided to HCFA by the 18th month of project implementation. Thereafter, the State will conduct annual enrollee surveys. Such surveys will be designed to produce statistically valid results.

3. *Grievance and Appeal Process

The State will monitor the grievance and appeal process to assure that enrollee concerns are resolved in a timely fashion, that confidentiality is protected, and that coordination between providers and the State is occurring in an efficient and effective manner. At a minimum, as part of this monitoring effort, the State will collect and review quarterly reports on grievances it receives, and describe the resolution of each formal grievance. Quarterly reports must also include an analysis of logs of informal complaints as well as descriptions of how formal grievances and appeals were handled. The State will confirm the content and frequency of these reports in number 9 of Attachment F.

F. Cost Sharing

1. *Copayment Information
   In accordance with number 13 in Attachment F, the State will provide detailed information about copayments. This shall include: copayment amounts for specific service categories, expected changes in copayment amounts, the method through which HIV/AIDS demonstration enrollees will be informed of copayments, the method through which providers will be informed of copayments, and how copayments will be collected.

2. *Premiums
   Individuals on the demonstration program pay pro-rated premiums. The State has divided the premium structure into four separate categories. In accordance with number 13 in Attachment F, the State will list specific premium amounts and collection procedures, including: expected changes in premium amounts, the method through which HIV/AIDS demonstration enrollees will be informed of premiums, how premiums will be collected, how premium amounts will be tracked by providers and the State Agency, and how premium amounts will be reported to HCFA.

3. Cost Sharing Protections
   In the event that demonstration participants fail to pay monthly premiums by the date on which they are due, the state will provide a reasonable grace period of not less than 30 days during which the participant may make the payment without termination from the program. During the grace period, the State must notify the participant that they have failed to make the required payment and may face termination from the program if the payment is not made. The state will give the individual the right to appeal any adverse actions for failure to pay premiums. In addition, before final disenrollment can occur, the State must perform a Medicaid eligibility determination to ensure that the participant has not become eligible for Medicaid. Should the Medicaid eligibility determination find the demonstration enrollee has become Medicaid eligible, the State must enroll the demonstration participant in the Medicaid program in a manner that ensures continuity of treatment. If the Medicaid eligibility determination finds that the demonstration enrollee does not qualify for Medicaid, then the State may disenroll the participant, but will allow the individual to re-enroll in the demonstration as soon as the individual is able to pay the required premium, subject to there being demonstration slots available under the enrollment limit. The State will provide a discussion of its procedures in number 13 of Attachment F.

4. Any changes in cost sharing amounts required for enrollees, including adjustments for inflation, have to be reviewed and approved through HCFA.

ATTACHMENT A

GENERAL FINANCIAL REQUIREMENTS

1. The State will provide quarterly expenditure reports using the Form HCFA-64 to report total expenditures for services provided under the Medicaid program, including those provided through the Maine HIV/AIDS Demonstration under section 1115 authority. HCFA will provide Federal Financial Participation (FFP) for allowable Maine HIV/AIDS demonstration expenditures only so long as they do not exceed the pre-defined limits as specified in Attachment D (Monitoring Budget Neutrality for the Maine HIV/AIDS demonstration).

2. a. In order to track expenditures under this demonstration, the State will report Maine HIV/AIDS demonstration expenditures through the Medicaid Budget and Expenditure System (MBES), as part of the routine HCFA-64 reporting process. Expenditures subject to the budget neutrality cap will be reported on separate Forms HCFA-64.9s, identified by the demonstration project number assigned by HCFA (including the project number extension, which indicates the demonstration year in which services were rendered or for which capitation payments were made). The term, "expenditures subject to the budget neutrality cap,"is defined below in item 2.c.

b. For each demonstration year, two separate Form HCFA-64.9 will be submitted reporting expenditures subject to the budget neutrality cap. On the first form, report the expenditures for participants enrolled in the Maine HIV/AIDS demonstration. On the second form report the expenditures identified for HIV positive cases or from tracking through the use of the State's HIV positive profile which is a result of its tracking algorithm (see 2.c.). The sum of these sheets, for all demonstration year reports during the quarter, will represent the expenditures subject to the budget neutrality cap (as defined in 2 c.) reported in that quarter.

c. For the purpose of this section, the term "expenditures subject to the budget neutrality cap" will include all Medicaid expenditures on behalf of individuals who are: 1) enrolled in the demonstration; and, 2) are Medicaid eligible and are HIV positive or are Medicaid eligible and are identified as HIV positive by the tracking algorithm developed by the State. All expenditures that are subject to the limit by the expenditure ceiling are considered demonstration expenditures and shall be reported on HCFA 64.9 waiver documents. The expenditures subject to the limit are meant to be the same types of expenditures as those included in the State's without waiver budget projections (e.g., the type of services and eligibles included in the projected budget). The State will track the expenditures and numbers of demonstration and Medicaid enrollees using the same algorithm it used to identify HIV positive individuals currently enrolled in Medicaid. This algorithm is described in Section C.1 on page 3 of the demonstration application, and elaborated upon in Appendices 17, 18, 19, and 20 of the State's May 14, 1999, responses to HCFA questions. In addition to using this algorithm for the purpose of HCFA 64.9 reports, the algorithm will be run twice annually and numeric counts submitted with the respective quarterly progress reports.

d. Administrative costs will not be included in the budget neutrality limit, but the State must separately track and report additional administrative costs that are attributable to the demonstration. Procedures regarding the tracking and reporting of administrative costs will be described in the Operational Protocol, to be submitted by the State to HCFA under terms specified in Attachment F.

e. All claims for expenditures subject to the budget neutrality cap (including any cost settlements) must be made within 2 years after the calendar quarter in which the State made the expenditures. Furthermore, all claims for services during the demonstration period (including any cost settlements) must be made within 2 years after the conclusion or termination of the demonstration. During the latter 2 year period, the State must continue to identify separately net expenditures related to dates of service during the operation of the 1115 demonstration on the Form HCFA-64 in order to properly account for these expenditures in determining budget neutrality.

f. *The procedures related to this reporting process, report contents, and frequency will be discussed by the State in number 1 of Attachment F.

3. The standard Medicaid funding process will be used during the demonstration. Maine must estimate matchable Medicaid expenditures on the quarterly Form HCFA-37. As a supplement to the Form HCFA-37, the State will provide updated estimates of expenditures subject to the budget neutrality cap as defined in 2 c. of this Attachment. HCFA will make Federal funds available based upon the State's estimate, as approved by HCFA. Within 30 days after the end of each quarter, the State must submit the Form HCFA-64 quarterly Medicaid expenditure report, showing Medicaid expenditures made in the quarter just ended. HCFA will reconcile expenditures reported on the Form HCFA-64 annually with Federal funding previously made available to the State, and include the reconciling adjustment in the finalization of the annual grant award to the State.

4. HCFA will provide Federal Financial Participation (FFP) at the applicable Federal matching rate for the following, subject to the limits described in Attachment D:

a. Administrative costs, including those associated with the administration of the Maine HIV/AIDS Demonstration;

b. Expenditures of the Medicaid program and prior period adjustments which are paid in accordance with the approved State Plan (including disproportionate share hospital payments); and

c. Net medical assistance expenditures made under Section 1115 demonstration authority, including those made in conjunction with the Maine HIV/AIDS Demonstration.

5. The State will certify State/local monies used as matching funds for the Maine Demonstration and will further certify that such funds will not be used as matching funds for any other federal grant or contract, except as permitted by federal law.

ATTACHMENT B

GENERAL PROGRAM REQUIREMENTS

1. *An evaluation design report must be submitted to HCFA for review and approval within 60 days of implementation. At minimum, the evaluation design should include a detailed analysis plan that describes how the effects of the demonstration will be isolated from those other initiatives occurring in the State. The report should also include an integrated presentation and discussion of the specific hypotheses (including those that focus specifically on the target population for the demonstration) that are being tested, the outcome measures that will be used in evaluating the impact of the demonstration, particularly among the target population, and the data sources for assessing these outcomes. Please refer to number 15 of Attachment F.

2. HCFA may suspend or terminate any project in whole or in part at any time before the date of expiration, whenever it determines that the State has materially failed to comply with the terms of the project. HCFA will promptly notify the State in writing of the determination and the reasons for the suspension or termination, together with the effective date. The State waives none of its rights under 42 CFR 430, Grants to States for Medical Assistance Programs, to challenge HCFA's finding that the State materially failed to comply. HCFA reserves the right to withhold waivers pending or to withdraw waivers at any time if it determines that granting or continuing the waivers would no longer be in the public interest. If the waiver is withdrawn, HCFA will be liable for only normal close-out costs.

3. The State may suspend or terminate this demonstration in whole or in part at any time before the date of expiration. The State will promptly notify HCFA in writing of the reasons for the suspension or termination, together with the effective date. If the waiver is withdrawn, HCFA will be liable for only normal close-out costs.

4. Maine must implement procedures so that hospitals will be able to distinguish individuals who would be eligible for Medicaid in the absence of the demonstration from all other individuals. These procedures must be in place and operational on the implementation date of the demonstration so hospitals can calculate traditional Medicaid days throughout the life of the demonstration. Correct accounting for Medicaid days is required for calculating a hospital's Medicare disproportionate share (DSH) payments. The proposed procedure shall be submitted to HCFA as part of number 10 of Attachment F.

ATTACHMENT C

GENERAL REPORTING REQUIREMENTS

1. Effective January 1, 1999, States are required to submit Medicaid eligibility and claims information to HCFA through the Medicaid Statistical Information System (MSIS). Section 2700 of the State Medicaid Manual details the MSIS reporting requirements. The State will follow the reporting requirements outlined in the State Medicaid Manual when submitting eligibility and claims information for its expanded eligibility group (demonstration population).

2. *Through the first 6 months after implementation, HCFA and the State will hold monthly calls to discuss progress. Further, the State will submit quarterly progress reports that are due 60 days after the end of each quarter. The reports should include, as appropriate, a discussion of events occurring during the quarter that affect health care delivery, including enrollment and outreach activities; access to needed services; quality of care; complaints, grievances, and appeals to the State; the benefit package; services coordination under the demonstration; numbers of demonstration enrollees which includes a breakdown of those new enrollees and those enrollees who converted from the non-demonstration Medicaid program after losing Medicaid eligibility; and other operational and policy issues. The report should also include proposals for addressing any problems identified in each report. The State should include a discussion of the content and frequency of these reports according to number 1 of Attachment F.

3. *The State will submit a draft annual report documenting accomplishments, project status, quantitative findings, and policy and administrative difficulties no later than 120 days after the end of its operational year. Within 30 days of receipt of comments from HCFA, a final annual report will be submitted. The State should include a discussion of the content and frequency of these reports according to number 1 of Attachment F.

4. *At the end of the demonstration, a draft final report should be submitted to HCFA for comments. HCFA's comments must be taken into consideration by the State for incorporation into the final report. HCFA's document *Author's Guidelines: Grants and Contracts Final Reports* is available to the State upon request. The final report is due no later than 90 days after the termination of the project. The State should include a discussion of the content and frequency of these reports according to number 1 of Attachment F.

ATTACHMENT D

MONITORING BUDGET NEUTRALITY FOR THE MAINE HIV/AIDS DEMONSTRATION

The following describes the method by which budget neutrality will be assured under the Maine HIV/AIDS demonstration. Maine will be subject to a limit on the amount of Federal Title XIX funding that the State may receive on selected Medicaid expenditures during the demonstration period. This limit will apply to expenditures made on behalf of Medicaid individuals who are eligible for Federal financial participation (FFP) who are 1) enrolled in the demonstration and 2) are Medicaid eligibles and HIV positive or who are Medicaid eligibles identified as HIV positive by the tracking algorithm developed by the State (see 2.c of Attachment A.). The budget neutrality cap will be for the Federal share of the total computable cost of $56 million for the
5-year demonstration.

For any health care related tax that was in effect during the base period, or provider related donation that occurred during the base year, is determined by HCFA to be in violation of the provider donation and health care related tax provisions of section 1903(w) of the Social Security Act, HCFA reserves the right to make adjustments to the budget neutrality cap.

HCFA will enforce budget neutrality over the life of the demonstration, rather than on an annual basis. Using the schedule below as a guide, if the State exceeds the cumulative target, they will submit a corrective action plan to HCFA for approval. The State will subsequently implement the approved program.

Year	Cumulative target definition	Allowed Margin
Year 1	$12.0 million	8 percent
Year 2	$23.0 million	3 percent
Year 3	$33.9 million	1 percent
Year 4	$45.0 million	0.5 percent
Year 5	$56.0 million	0 percent

ATTACHMENT E

ACCESS STANDARDS

*The State assures that the demonstration will provide available, accessible, quality care to eligible enrollees through the use of an adequate number of institutional facilities, service locations, service sites, and professional, allied, and paramedical personnel for the provision of all covered services. These services must be available on an emergency basis, 24 hours a day, 7 days a week. Please provide the State's access standards according to number 12 in Attachment F.

ATTACHMENT F

OPERATIONAL PROTOCOL

The State will be responsible for developing a detailed protocol describing the Maine HIV/AIDS Demonstration. The protocol will serve as a stand alone document that reflects the operating policies and administrative guidelines of the demonstration. The protocol will be submitted for review and approval no later than 90 days prior to implementation. HCFA will respond within 30 days of receipt of the protocol. The State will assure and monitor compliance with the protocol. The protocol will include all requirements specified within the Special Terms and Conditions to include:

1. The organizational and structural administration that will be in place to implement, monitor, and operate the demonstration, and the tasks each organizational component will perform. The State will also include in this section a discussion of the content and frequency of reporting items as listed in Attachments A and C of this document.

2. A complete description of Medicaid services covered under the demonstration, according to C.1. of section IV, which includes general service categories and the specific services included therein.

3. A description of the State's plan to foster coordination of care between the primary care provider and other entities such as public health departments, community health centers, Ryan White providers, etc. Refer C.2. of section IV.

4. A description of the State's outreach and marketing strategy, in accordance with requirements in A.1. of section IV, including the availability of bilingual materials/interpretation services and services for individuals with special needs. Include any pertinent documentation of the State's strategy, including informational brochures or materials that will be used as an attachment to the Protocol document.

5. A comprehensive description of the education, enrollment, and disenrollment processes. Include any enrollment forms or informational items, including the State's consent form (referenced in A.4. of section IV) in an attachment to the Protocol document. Also include a detailed description of the State's method for verification of HIV seroconversion for enrollment into the demonstration. Refer to also to A.1. of section IV.

6. A discussion of the State's plans to limit enrollment via an enrollment ceiling. The State should describe the mechanism by which it will implement the enrollment ceiling, how the enrollment ceiling number will be derived, and assurances that demonstration enrollees will remain on the program as long as they are eligible (even if the enrollment ceiling number is lowered throughout the course of the 5 year demonstration). The State and HCFA will work together to determine a process for amending the enrollment ceiling number. Please answer in accordance with B.1. of section IV.

7. A detailed discussion of the operation of a waiting list, if/when applicable, for the demonstration program. Include any pertinent documentation or instructions for the waiting list as an attachment to the Protocol document. Answer in accordance with B.3. of section IV.

8. An overall quality assurance monitoring plan that includes a discussion of all quality indicators to be employed and methodology for measuring such indicators; quality monitoring surveys to be conducted, and the monitoring and corrective action plans to be triggered by the surveys; credentialing requirements and monitoring; fraud control provisions and monitoring; and the proposed provider-enrollee ratios, access standards, etceteras.

9. A description of the complaint and appeal policies that will be in place at the State level. Refer to E.4 of section IV.

10. A description of basic features of the administrative and management data system. Refer also to number 4 of Attachment B.

11. A description of the process whereby enrollees will smoothly transition from the demonstration to the non-demonstration Medicaid program without disruption in continuity of care, and/or vice versa. Refer to A.2. and A.3. of section IV.

12. A description of the provider network/access monitoring plan. Include any HIV/AIDS provider standards/qualifications/designations that the State currently utilizes, and expand upon the information provided in the State's in May 14 responses regarding provider network/access.

13. A detailed discussion of the cost-sharing information requested in Section IV F 1-3. Include any forms or information documents utilized as an attachment to the protocol document.

14. A detailed description of the operation of the pharmaceutical product discount agreement between the State and the pharmaceutical companies. Also include as an attachment documentation supporting this agreement. Refer to section E of II.

15. Include as an attachment to the protocol document the evaluation design report as discussed in Attachment B, number 1.

16. Include the State's method to ensure that the latest in HIV treatment guidelines will be made available to providers in the State and the extent to which HIV expert/consultation services will be made available to providers.

17. Please describe in more detail the composition and operations of the Clinical Advisory Committee (discussed in the May 14, 1999 responses to HCFA questions), including the background/expertise of committee members; the mechanism for the committee's communication with provider and client communities, including the provision of relevant clinical information to Medicaid providers in Maine, and the committee's overall role in the Medicaid program in Maine, particularly with respect to monitoring quality of care.

18. A description of the State's plan to monitor demonstration participants' adherence to treatment regimen(s). Include details about case management and other services that will be available to assist and support patient adherence. Also include further details about the "system pharmacy edits" (mentioned in the State's October 21, 1999, responses to HCFA questions) that will be used to monitor optimal drug treatment/management and trigger appropriate intervention in the event there are problems with treatment adherence.